

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HARRISON COUNTY)	
WATER ASSOCIATION, INC., OF HARRISON)	
COUNTY, KENTUCKY, FOR A CERTIFICATE OF)	CASE NO.
PUBLIC CONVENIENCE AND NECESSITY TO)	2000-519
CONSTRUCT AND FINANCE PURSUANT TO THE)	
PROVISIONS OF KRS 278.023)	

O R D E R

On November 16, 2000, Harrison County Water Association, Inc. ("Harrison Water") submitted an application for a Certificate of Public Convenience and Necessity to construct a \$1,434,800 waterworks improvement project and for approval of its plan of financing for this project. This project will provide new service to 128 additional customers with the installation of approximately 23.7 miles of water transmission mains, two booster pump stations and a 192,000-gallon standpipe water storage tank. Project funding includes a \$656,000 loan from the U.S. Department of Agriculture's Rural Development ("RD"), a \$634,000 grant from the RD and a \$144,800 contribution from the Applicant.

Harrison Water's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the U. S. Department of Agriculture or the U. S. Department of Housing and Urban Development and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing

requirements were met in this case on November 16, 2000, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Harrison Water is granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Harrison Water's proposed plan of financing with RD is accepted.

3. Harrison Water shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

4. Harrison Water shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer is outside the requirements of 807 KAR 5:066, Section 5(1), Harrison Water shall take immediate action to maintain the level of service in conformance with the regulations of the Commission.

5. Harrison Water shall notify the Commission one week prior to the actual start of construction and at the 50 percent completion point.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 11th day of December, 2000.

By the Commission

ATTEST:


Executive Director